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WASHINGTON, DC- U.S. Representative Charlie Melancon announced today that members of the U.S. House Committee on Resources voted 29-9 in favor of the Deep Ocean Energy Resources (DOER) Act, sending it to the full House for a vote as early as next week. The bill represents a bipartisan compromise to allow increased offshore gas and oil production and establishing a more equitable revenue-sharing plan.

"I am very pleased my fellow members of the Resources Committee overwhelmingly agree that states supporting offshore drilling deserve their fair share of the royalties from this industry," said Melancon. **"The DOER Act will give Louisiana the funding we need to build a comprehensive hurricane protection and coastal restoration system, shielding our citizens from future hurricanes and repairing the environmental damage our coastline has suffered."**

Melancon continued, **"I am disappointed with the Administration's opposition to revenue-sharing provisions in the DOER Act. This is a back-handed attempt to scuttle the compromise we have reached and leave us with nothing accomplished. I urge the Administration to reconsider, not only because it's a fair deal, but also because it will help the Gulf Coast prepare for future hurricanes."**

Last Friday, Melancon announced and other leading members of the Resources Committee had negotiated the comprehensive legislation from the more than two dozen Outer-Continental Shelf-related bills introduced this Congress. The bill mandates that Louisiana receive 75% of the royalties (fees) accrued by the federal government from oil and gas production 3-12 miles offshore on the state's Outer Continental Shelf. The bill will also phase in over 15 years an eventual 50% share of royalties from drilling beyond 12 miles off the state's coast. Most recent estimates predict revenues for Louisiana from this legislation would average nearly $900 million per year for the first nine years, eventually topping $2 billion per year by 2022 when the plan is fully phased-in.

Currently, Louisiana receives only a small percentage of the $6 to $8 billion in royalties the federal treasury accrues every year from drilling in federal waters, despite the fact that

Louisiana must shoulder the burden of environmental damage, including an eroding coastline, and the cost of infrastructure (ports, highways, etc) that result from the state's support for this industry.

The compromise will also alter the restrictions on gas and oil drilling on the Outer Continental Shelf, lowering energy costs increasing domestic energy production and reducing U.S. dependence on foreign oil. The agreement establishes the following guidelines:

- 0-50 miles offshore: Permanent moratoria on oil and gas production, unless a state legislature enacts legislation to opt out of the moratoria.
- 50-100 miles offshore: Moratoria on **oil** production until June 30, 2010. Moratoria on **gas** production for one year after law is enacted. After these dates, the moratoria will be lifted UNLESS the state legislature enacts legislation to continue the moratoria.

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